The Affordable Care Act:

What Colorado Businesses Need to Know

2010

- Temporary Small Business tax credit (2011 tax return)
- Children allowed to remain on parent's policy until age 2
- New high-risk pool, GettingUSCovered
- Ends health insurance rescissions except for fraud
- Temporary reinsurance assistance for early retirees
- Non-discrimination in favor of highly compensated employees*
- No cost share for preventive care*
- Decision about whether to maintain grandfathered health plan
- Eliminate lifetime limits
- Restricted annual limits on "essential health benefits"
- No pre-existing condition restrictions on children under 19
- Federal rate review process for carriers
- Unpaid break time and accommodations for nursing mothers

2014

- Individual requirement to obtain coverage
- Carriers required to guarantee issue coverage
- Carrier rating restrictions
- Health insurance "industry fee" (escalates to 2018)
- Essential benefits and insurance exchanges established
- · No annual limits
- Automatic enrollment (effective date subject to future regulations)
- Definition of "full time" worker is 30 hrs/week
- No pre-existing condition restrictions on all ages
- · Individual subsidies for coverage
- Expansion of small employer tax credits
- Employer penalty if coverage not offered (>50 FTE) when one or more employees receive subsidies for coverage in the exchange
- Employers required to issue exchange "free choice" vouchers for certain employees
- No waiting periods greater than 90 days
- Financial incentives for wellness program participants allowed up to 30% of premium

2012

- 1099 reporting for business transactions of \$600 or more
 Annual reports to HHS on
- improving quality of care and wellness
- W-2 reporting of employer and employee share of premium (reported 2012)
- Uniform explanation of coverage

2011 2013 2014 2018 2018 2018

- Medical Loss Ratio (MLR) requirements for health plans (80% individual & small group; 85% large group)
- HSA and FSA limits on non-prescribed items
- Employers can participate in CLASS, federally subsidized long-term care
- Penalty for non-qualified HSA expenses increases to 20%
- Small groups can adopt a simple cafeteria plan
- Small group wellness credit available

- Elimination of deduction for Part D subsidy
- Medicare taxes will increase for incomes in excess of \$200,000 per year
- FSA contributions limited to \$2,500. Cap does not apply to employer contributions
- Employees must be notified of the Exchange
- Health insurance fee to fund comparative effectiveness research

Federal tax
on high-value
benefit packages
begins

2017

 Large employers may be eligible to purchase insurance through the Exchange